File No. 99

1885.

Collection No. (1)

(5)

25/1/87 KC

15/1/87

Mysore - Residency

Proc. / Serial Nos. 1 - 9

76

Subject.

Simplifying the system of Payer collections in Mysore and issuing orders for the imposition of the octroi duties and other items of municipal taxation in the C&M. Stns.

Previous References.

Later References.

S. 97. (Blue.)

MGIPC—FP—725DCF—8&P—(G-1576)—14-3-25—60,000.

Mysore Residents Office 1 of S.A.P.

File No. 99 of 1885

(Octroi taxation)

Letter No. 556 I. dated the 14th February 1884 from the Offg Under Secretary to the Government of India Foreign Department.

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1. The Government of India writes under a misapprehension as to the nature of the Octroi, which is, I believe, levied only on tobacco and *supari, and no refunds are necessary as these are only brought into the Station for local consumption. If we have not got it in office, get from the President a list of articles subject to Octroi, and amount collected in respect to each in 1882.83 This can then be sent with short letter of explanation to the Government of India.

J. B. L
21. 2. 84.

*Betel leaves not supari; also on cocoanuts
L.A

Notes on G's orders on Foreign Dept's letter No. 556 S. dated 14th July 1884.

(1)

Under what law is the octroi levied? Even if it is not levied under Mun. Regn. I remember I submitted Questions before on the bill connected with the assent of a certain body of the Railway & octroi Peons. W.M.

* 1. Tobacco — See below ✝ W.M.
2. Betel leaves
3. Green cocoanuts
4. Dry cocoanuts
5. Bricks and tiles.
6. Storage and Rahadaree fees —

(The first eight items of the statement show different rates on British & Mysore articles. The origin of this difference is I understand that the British articles paid no separate Sayer duty. Does this reason exist? Is a Sayer duty, still levied on Mysore Tobacco, Betel, and cocoanuts, and paid to Mysore Provincial revenues, and is it levied by the same establishment which levies the octroi? W.M.)

Yes. Z.A.

Yes.

ZA

2. A statement showing the collections made by the Municipality in 1882/83 under the several heads of Octroi which was called for and received with the Presidents docket No 2442 dated 26th February last. This statement shows the income under the several heads named in the margin — The total income from these several heads is Rs 4,41,111-3-9 which corresponds with the figures entered in the Municipal Section of the Administration Report. ~~The Statement~~ A copy of this Statement may now be furnished to the Government of India —

3. Of the several articles named above, tobacco, betel leaves and dry and green cocoanuts are the only articles which are, properly speaking, subject to Octroi duty, as will be seen from para 33 of the Pro: of the Chief Commr of Mysore (Rev: Dept) No. 3262-73/161 dated 27th September 1879, in which it is laid down that "the articles chargeable with

"octroi in this (Bangalore)
"Municipality will be
"(1) tobacco, (2) cocoanuts and
"(3) betel leaves, to which
"may be added sheep and
"goats should the Municipality
"desire it" — Sheep and goats
have not as yet been subjected
to this duty.

It is not known how
the tax on bricks and tiles
has been included under
octroi, but, as a matter of
fact, this tax was entered
year after year in the
Municipal Budget under
Octroi, until, when passing
orders on the Budget for
1883/84, it was pointed out
in this office letter No. † 408/23 of
29th May 1883 that as the collection
of octroi duty was restricted
to tobacco, betel leaves and
cocoanuts it was not clear
why the tax on bricks & tiles
which was believed to
consist of licence fees
levied on the number of
bricks and tiles burnt
in kilns was put down under

† printed in Revenue
Pro: No. 1208/84 dated
31 August 1883 —

(Under Secs 184 - 139 of the
Mun. Rules in Appendix
VII)

Petroi, and it was suggested that this item should be entered under the head XII Miscellaneous. In their reply the Board said that they had no objection to the proposed change, and the anticipated income from the tax was shown entered in the Revised Budget for 1883/84 ~~Not~~ under the head "Miscellaneous". The Municipal Report for 1883/84 will not therefore show the tax on bricks and tiles under Petroi.

5. I do not think refunds are granted by the Municipality of Bangalore. On this point I beg to invite attention to para 14 of the Chief Comrs Pro: of the 27th September 1879, above referred to. I beg also to invite attention to C.Cs Pro: No. 5706. 14 of 28th January 1880, in para 2 of which it is stated

printed at page 32 of the accompanying book (Mysore Revenue Register, Vol. II).

that "refunds may be
"made by the Municipalities
"in individual cases in
"which the interests
"involved are considerable
"and there is likely to be
"hardship if the refund
"of duty were not allowed"

(As a matter of fact I think the articles liable to Octroi are not important Municipalities for local consumption. The duty is so heavy that it would hardly attract intended for local consumption not anticipating exceeding one gallon or refund could be allowed. JM

(Rule provides for without bonding stamps & articles in transit both of articles in warehouses or endorsements. JM)

2. That the Octroi collections are not transit duties will be seen from Rule 3 of the Rules published under C. C. Notifn No. 559 dated 16th March 1871, which are in force in Bangalore

printed at page 559 of the volume of the Mysore Gazette for 1871 herewith sent.

JM
5/3/84

To be kept in the first page

* In Mysore Gazette just ref. above it is shown that the duties on tobacco Betel leaf were formerly levied under "Rules regulating Octroi duties" framed under act XVIII of 1864. Powers appear to have been delegated to Municipalities by Govt under Sec 52 of Mysore Act 31 of 1880. Mysore Excise act XXII of 1884 was in force in the Cantt. & M.S. Regulations also rules made under the former act, but as it contains rules treating tobacco & betel leaf as articles of when they are not subject to Excise duty under the act Cocoanuts were also subject to

"The various articles for these Customs are fully detailed in the Financial Secretary's letter to the Govt of India, Foreign Deptt: No. 3360 dated 29th September 1875. A copy of this letter has been obtained from the Revenue Office and is herewith submitted.

Init

power to show that the Govt was engaged in a bolstering Lawyer on certain articles that Coco nuts should be in liable to Town duty outside limits of Lawyer & some time, Betel leaf, which had apparently been treated in both Town duty & Lawyer were made liable to one consolidated Town duty only, of which half was

8. for duty on all 3 articles Betel leaf, Cocoa nuts - now seem to be levied as octroi. I consider that even the duty on the first two could not be legalized as octroi under the Octroi Act in force: the duty on betel leaf has now been imposed by the Legislature under an Octroi Act. But the order under which the duty is levied under Sec 54 of the Mun Reg authorising the levy of Municipal duties on animals and vehicles, as Octroi duties &

for hand by the Mun to the Govt as Provincial revenue. This was a prompt arrangement for the Mun as the Lawyer had been higher than the town duty before they were amalgamated. If assessed Mysore grown tobacco - betel leaf &c as British India do the old rates of duty levied by the Municipalities were continued & the work was to go on as before by the Mun

I think the wording of Sec as to "town duties" admits of an order being passed legalising these duties now levied.

[illegible]

[illegible]

9. Perhaps advisable to obtain sanction of India to sanction these duties being levied as octroi or town duties under the Regulation.
Perhaps there is a good legal basis for the duties I do not think cl (b) of Sec 1 will avail to legalise them, if they are questioned.

10 I must however look up the Regulations referred to in Sec 1 of the Reg in 1883, and see if in them any words to control legalising these duties

8

1 so d(h) if the
with clerks contains
two Town Council rule
6/3/84 J.M.L

11 Instead in use of
the word "again"
in the rules 5/87 11
has made the use
the Heretic.

12 The rules 5/87, were
passed under XVIII 5
64 of the Municipal
Act Ontario and the act 5.6.
5.2 of 50 Vict 50 was
not intended to give
to them rules.
Any such powers
have been continued
in force by the Regu
5/87, & repealed
act XVIII 5. 64.
The attention of the rules
by addition & consolidation
and raising the consolidation
Rates) the direction
petit would seem in
R.24. 5 & 6 Vict. 5.

9.

27 Feb 79 to have been done by him under authority of sanction given by India in 1875. An alteration in respect to Trees & Betel nut (by excluding latter, & varying consolidation duty on former) not being included in sanction of 1875 was referred by GI in 79 (in last para of Proceedings Feby 79) and was ruled in order for F.D. no 607 I.R. of 13 Dec 79.

Question as to Rules of 71 were continued when Sanction of 71, was in this amended form as amended in 79 which was as Com duty & other rules under Cl (b) of Sec 1 of Tea Growth Regns. Tea Cess Regns of 71

* A copy of this letter has also been obtained from the Bharani Office and is herewith submitted. It will be seen that India expressed their disapproval of the Proposal making provision for a deposit after the System had been in working for one year.

H.R.

10

must be examined
to make sure of this
If it is all right
the Man is entitled
informed (as an idea
has provided that
these rules and the
Act) has nothing to
do with the item.
Regds) and returned
by request. Draft
a record of proceedings
bringing them up to date
& making any amendments
desirable.

13. || Interesting point re
election of the consolidated
town district. Myers
article a man is
still liable to Myers
Provincial funds by
the Municipal Act
was levy the dues.
If so it is doubtful
if the Ratepayers can be
charged with levied as
town duties under the
present Regulations

Yes, a share is paid to the
Provincial on account of "Sayer"
KC

11

In the Reg^ns and other places etc it is provided for the purposes of these Regulations. We must find out from the actual meeting is.

7/3/84.

Or referring to the Mun Reg of J.: I see they did in Sec 1. affirm all taxes levied under the authority that Town was vested or annulled under these Regns" this clause was repeated in the Reg^n of 83 so the section is a legislative one under the Mun. Regns. and I think it comes under the head of "town duties" in Sec 34, but in printing these Reg^ns, the heading to the Sec should have been

Levy of taxes, tolls, town duties and rates.

and between the words "ignore" and "of town duties

12

and again between the
words "ad duties" and
or rates & the stop is
should have been inserted.

And between the rules
for assessment of
taxes or architects &
higher licenses. (Sec: 56
to 62) and the rules
for Rates on houses
buildings & lands (Sec 63
to 77) should have
come the rules for
levy of town duties
or octroi.

15 || Before we address the
Hon'ble the Chairman
should like to
submit a
short Historical
Account position as
regards the octroi
& Abgari Sources
Tobacco etc is that
Octroi duty actually
levied by octroi establish
handed over to Abgari
Provincial Revenue?
2/3/84. V.R.S

Please see next page
Ed

16. With reference to the last paragraph of the Resident's remarks above, I beg to report as follows:— The orders passed by the Chief Commissioner in 1899 as regards the collection of the Octroi duty ~~on tobacco~~ are still followed. 17. (X) The old duty of Rs 3-8-0 per maund is levied on tobacco imported from ~~H~~ Mi territories, and credited wholly to the Municipality. The authority for this procedure is para 3 of the C.S. Pro: No. 4914-25 Rl 243 dated 24th December 1899 in which it is laid that "the "existing arrangement "in regard to tobacco, under "which no portion of the "octroi collections on the "article imported from "Native territories is cre- "dited to the Provincial "Revenue, will continue "for the present."

18. (X) On Mysore grown tobacco a duty of Rs: 3-4-0 per maund is collected, out of which Rs 2-8-0 are credited to the Municipality and

Send copy of Chief Secy's letter to Progt Mem in C. Cochin dt 27 Sept 25, and my just order is only liable on Tobacco. But since, grown in this country & Mysore, & has been levied on the ~~two articles~~ articles mentioned only. It seems probable that with so high a duty and as understood no regular system is adopted there articles within octroi limits and complaints the ~~towns~~ Chief Mem in Jr consumption therein, not- ified in exhibitions closing Jr Member Brijed it in Presidential ~~and consulting~~ after inquiry whether the facts. Also the Cochin & C.N.S is any extent entrepots Trade for the sale of Tobacco Betel & grown dry fruits. or are these articles once imported retained for consumption only. Entire provisions are any refunds ever asked for or granted?

In the latter case is this the natural state of things or is it the object we promote the Govt C.I.M.S. In bring an export trade in these articles

25. Ans to the C.C. proc. 20 Jan 80 as Rs. 2 per maund & Imp. duty Rs. 2 per maund, export in other exceptional cases. Also Govt Rule 3 of C.C. not. No 559 of 16 March 71 Imp. duty Rs. 2 per maund on tobacco, without limiting such duty to tobacco in transit, but that I presume that this is not acted on in practice. Am I correct in this and would it be of advantage to have bonded or warehouses in the article like Tobacco?

26 In the carrying out

annas 12 to Mysore Provinces. The authority for this procedure is C.C. Pro. No. 6153-5-304 dated 19th February 1880 in which it was directed that the Sayer duty of 12 annas should be collected on home grown tobacco ~~and paid to~~ for under the Municipal Octroi of Rs. 2-8-0 per maund and paid to Government. It was suggested in the last para of the same order that if it could be done without serious sacrifice of income, it would be convenient if the duty on both the home grown and imported tobacco were fixed at the uniform rate of Rs. 3 per maund, one-fourth of the proceeds from the home-grown article alone being paid to Government. The Municipal Board do not seem to have acted upon this suggestion, and the first part of the order alone is being carried out by the Municipality. As a matter of fact monthly remittances

of money on account of the Govt: Share of the Octroi collections are made by the President of the Station Municipal Commissioners to the Deputy Commissioners of Bangalore through their Office.

19/3/84 In the case of cocoanuts it was proposed to the Govt of India that a combined Duty of 7½ annas per maund would be levied on dry cocoanuts and of 8 annas per 100 (Nos) on fresh cocoanuts, and that the Municipality & the Government should be credited with the amount of these duties in Equal Shares. It was ordered in C.C. Pro: No. 4053-62 dated 20th October 1879 that for convenience of calculation the Duty of 7½ annas per maund should be raised to 8 annas per maund. Again, by an order of the same date, No. 4032-43 it was directed that the Duty on cocoanuts and betel leaves imported

[illegible] return [illegible] me [illegible] wish to [illegible] the Duty [illegible] subject [illegible] Municipality [illegible] part of the duty goes to the Station as Town revenue.

17/4/84.

21/4/84

28. [illegible] (No. 193 dt. 23rd April 1884) a letter issued & Pres: as ordered above 23/4

23/4/84

27/ The President replied in his letter No. 227 dated the

the 25th April 1884.

26 from H.M. territories ought
be wholly appropriated by
the Municipality, and
that the Municipality should
pay to Govt one half ½
the collections on the above
articles of local production
only. Hence it is that
in the Statement of Octroi
Collections received with
the President's docket No 2442
dated 26th July 1884, the
Rate of Duty on Cocoanuts from
H.M. territories is shown
as 8 annas and that
on Cocoanuts from H.H's
territories as 4 annas
(Municipal share of duty)

20 (4) Bricks and tiles are
not articles on which an
octroi duty has been
ordered to be levied in
Bangalore, and yet they
are shown in the Statement
received from the President.
I have not been able
to find the orders relating
to the tax on Bricks and
tiles, and I think the papers
may be called for from
the Municipal Officer.
& in the orders on the

Municipal Budget for 1892/93 the Board were asked to remove this item from the head "Detroit" and put it under "Miscellaneous"; this the Board agreed to do. But it would be well, I think, to see the former orders on the subject of this tax.

21. The whole of the consolidated Detroit duty on the mineral articles named above (both the Port Share and the Municipal share) is collected by the Municipal Detroit Establishment.

22. The remark made by the Resident that the consolidated Detroit duty (which includes the Port Sanger duty) cannot strictly be called a town duty as it is not all collected for the purposes of the Municipal Regulations, strikes at the very root of the

30 Upon this letter it was ordered as follows:-

~~Mr Lyall's orders.~~

Sundry Merchants of the City of London Manufacturing the 3 articles Tobacco, Betel leaf, & Cocoanuts, on which the duties is levied, and mentioning the gross amount collected for the A.S. 25 & 2/83 as Mun duty under each of the 3 heads (without detail of Rangoon and Bassein Ports) Explain this corresponds with the 4 & 11/3/9 of adm Rep by erroneous classing of licenses on Betels & the Sum imposed in them under this Schedule. The arrangement for Rotn merchants bringing duty paid goods & tobacco in transit, and how that under the system in force upwards of a Month by the order in Council for the arrangements in force work well. No complaints made on both traders, both persons who are ~~fraudulent~~ asked to pay duties on articles on their bringing in ostensibly for their own private consumption. No doubt the system must tend more or less to prevent the Rangoon from becoming an entrepot for Betels tendu leaves & Cocoa nuts, but the interests of the trade & the Revenue in giving to the trade the same system of collection & [illegible]

pressed upon which has from some years past been in force in the whole of Mysore and in the C & M Station of Bangalore with the approval of the Government of India, and therefore deserves separate careful consideration.

23. Orders are solicited whether a reply should be sent to the letter from the Government of India No. 556. I. dated 14th Feby. 1884. Govt. have not called for a reply but I believe it is the intention of the Resident to send one.

E Hamilton Elliot

x The C & M. S. and in the Pettah at Bangalore which is administered by the Durbar.

31. I also adopt the views of Mr Lyall as to my note remarking that an erroneous [illegible] has prevailed [illegible] and the rules [illegible]

11

Collectors ~~are not bound upon~~ ~~to obey~~ the Stamp Regulations, explain that this is a mistake and give a history of the matter showing the legal basis of the rules and stating the Regulations and rules ~~which~~ upon which the taxes, the rates, and the rules rest.

32. Then ask the Board to draft revised ~~or additional~~ rules bringing them up to date, ~~including~~ proposing any necessary amendments.

33. Say that I propose to introduce the amended rules into an amended copy of the Regs inserting them between the rules for assessment of taxes on auto chassis bodies and the rules for rates on horses & hounds. The rules seem to have been omitted from former copies of Regs by mistake, and the heading to Sch 3 in and from the Stamp Act is wrong (see my note) Let this letter be considered by the Board & in principle to me

10

20

of Bangalore a true
return.

18/5/84.

~~Draft~~
~~Ltr~~

~~Draft~~

34. Letters ~~etc~~ were sent accordingly to the Government of India, Foreign Dept^t and to the President, Municipal Commissioner; No^s 535/78 dated the 2^d June 1884 to the Government of India, and letter No^s 534/55 dated the 2^d June 1884 to the President.

35. For the continuation of the correspondence please see another Note in the file.

L.R.

From Mysore Chief Commissioner's Office.

No. 3360/40

Revenue Department

Dated Camp Mysore 27th September 1879

To,

The Secretary to the Government of India,

Foreign Department

Simla

Sir,

I am directed by the Chief Commissioner to submit for the sanction of His Excellency the Viceroy and Governor General in Council the following propositions for simplifying the system of Sayer collections in this Province

2/ Amongst the proposals made by Sir Richard Meade on the subject in this Office letter No. 7786/154R of the 29th January 1875, and generally approved by the Government of India in their letter No. 87 R. of the 10th April 1875, he recommended discontinuance of the existing mode of levying the Sayer on Cocoanuts and Betel leaves at the place

1 8

their production and proposed to convert the tax into a Town duty. No effect was given to this proposal as it was apprehended that any arrangement for the levy of the Town duty would involve greater expenditure in establishment and annoyance to the people than in the collection of the Sayer. As Municipalities which have been established in all the towns in the Province have since come into full working and as in many of them the Octroi forms an item of their income, the proposed levy of the Sayer tax in the form of a Town duty without any additional charge has become both feasible and unobjectionable. In fact, the Octroi is already levied very generally on Betel leaves, and several of the Municipalities propose to extend it to, and one Municipality already levies it on, Cocoanuts also, so that these articles are now subject to two separate duties, one as Sayer on leaving the place of their production, and the other as

Octroi

Octroi in the towns to which they are brought for consumption.

3, The Sayer revenue derived by Government from the articles has, at the same time, considerably fallen off owing to the effects of the famine. It now amounts only to Rupees 5,8,768, so that it has become a question whether for such a small amount of revenue, the extensive system of direct interference with the cultivators which is involved in the collection of the Sayer ought to be retained any longer. The articles are grown in every part of the Province, so that the interference occasioned is general and extensive, and the immediate interference with the cultivators proves more restrictive on the cultivation than any system of imposts afterwards.

Cocoanuts dry .... Rs. 4552
" fresh 30266
Betel leaves 23950
5-8,768

4, The Chief Commissioner therefore, availing himself of the sanction already accorded by the Government of India, has issued instructions for the discontinuance of the separate levy of the Sayer on these articles

articles from 1st November 1879, and in lieu of the Sayer and the Octroi, has authorized the levy of a combined Town duty on the articles in all the Municipalities excepting such as may find the same not sufficiently productive. The realizations are to be divided equally between the Municipalities and the Government. The present Sayer rate of duty on Betel leaves is one pie per bundle of 100 leaves. The Octroi levied is the same. The combined Town duty proposed to be levied is 2 pie. The existing rates of Sayer duty on cocoanuts as noted in the margin being already high (about 23 per cent of the price) { Cocoanuts dry 7½ As. per mannd — Do — fresh 8 — per 100 — } the same rates have been adopted for the combined Town duty without any addition on account of Octroi. They will be levied on the imported as well as the home grown articles. The loss of revenue resulting to Government may be represented by one half of the present

collections

collections from cocoanuts, or Rs. 17000/- which will be made over to the Municipalities in consideration of their collecting the same. But it can bear no comparison to the great relief which will be afforded to the cultivators who will be free to gather the produce of their gardens and sell it at their convenience without any interference on the part of the petty officials. Under the item of betel leaves, there will be no loss. The consumption of these dutiable articles outside Municipal limits, which will hereafter pay no duty, will not exceed, it is believed, the proportion of the total produce upon which, under existing system, duty is evaded. The exports beyond the Provinces which will also not come under the duty, are but small.

5. The Chief Commissioner now requests the sanction of His Excellency the Viceroy and Governor General in Council for carrying into effect a similar arrangement in regard to Tobacco. The Salt Revenue from this article has suffered even more than

the

the others. It has fallen off from Rs. 128,000 in 1873, 74 to Rs. 41,374, the collections of the last year 1878-79. This result is partly to be attributed to the reduction of the rate of the Sayer duty from one Rupee to 12 Annas per maund, but is chiefly due to a great falling off in the cultivation. The article is grown only in some Taluks of the Mysore, Hassan and Kadur Districts, and requires great care both in its cultivation and manufacture. The interference involved in the collection of the Sayer, rather than its amount, has proved restrictive on the cultivation. The Chief Commissioner, therefore considers the abolition of the Sayer on Tobacco even more urgent and less objectionable on the score of loss of revenue than is the case with cocoanuts and Betel leaves. The present Sayer rate, as already stated, is 12 annas per maund. The Octroi now levied in most of the Municipalities

is

is 4 annas per maund, but proposals have been made to raise the rate. The Chief Commissioner proposes to give up the separate collection of the Sayer duty, and to authorize the Municipalities, excepting those of Bangalore and Mysore, to levy a combined Town duty of 1 Rupee per maund, dividing the realizations equally between the Municipalities and the Government as provided for in regard to Arecanuts and Betel leaves.

6. In the Municipalities of Bangalore and Mysore the Octroi levied on imported Tobacco, inclusive of the Sayer of 12 annas is Rs. 3-8-- per maund. On home grown Tobacco which pays Sayer separately, the Octroi is Rs. 2-8--, there being a difference of 4 annas in the Octroi rate on the imported and home grown article. The Chief Commissioner does not wish to interfere with this high rate which has continued to be collected for many years without objection, the article being one of a specially excisable character. He merely proposes

to

to reduce the combined rate slightly to the more convenient figure of Rs. 3/- one fourth of which or 12 As. being the sayer rate, a fourth of the realizations from Tobacco will alone be paid to Govt: in these two municipalities. The consumption of the article being :- mostly in the Towns, the loss to the Government by the proposed arrangement will be inconsiderable, whilst all interference with the cultivation and manufacture will be effectually removed. The loss will be generally represented by the difference between 12 annas, the sayer rate now levied, and the half of one Rupee or 8 Annas which the municipalities will repay to Government. But as the greater part of the consumption is in Bangalore and Mysore, where the full sayer rate of 12 annas will be repaid to Govt: the 1/3 loss on the remaining collections will be quite insignificant, and will be more than made good by increased trade and saving in establishments.

7. Areca-nut forms the chief source of the Sayer revenue in this Province. Though this item has also fallen off owing chiefly to the reduction of the rate of duty from Rs. 1-8-0 and Rs. 1-- to 12 annas per maund, the revenue is still very considerable, amounting in the last year to Rs. 377,318. The Govt: therefore cannot afford to give it up. Neither could an arrangement similar to that proposed for the other Sayer articles be made as the local consumption and exports of the areca nut beyond the Province are nearly equal, so that a town duty would deprive the Govt: of the portion of the revenue derivable from the quantity exported.

8. The cultivation of the Areca-nut is mostly confined to the Malnad Talks of the Shimoga and Kadur Districts, but is extensive, and the article forms one of the most important staples of the Province, and stands in need of every encouragement. As it is already burdened with a heavy land assessment on the gardens in which it-

it is grown, besides the Sayer duty, the Chief Commissioner considers it important to relieve it from any further impost or restrictions on its trade which is general and extensive. The Sayer duty which is collected at the place of production on the first sale is, in this case less objectionable than any duty afterwards in the towns in the course of its trade. The Chief Commissioner has therefore directed the removal of areca nut from the list of articles which may be brought under the Octroi in the municipalities.

9. The Sayer is collected on the areca nut imported into the Province from British Territories as well as on the local produce at the same rate of As. 12 per maund. As the imports, however, are quite inconsiderable, the levy of the duty on it may, without any loss to Govt. be discontinued except in the few Talukas bordering on the Canara District, where the retention of the duty will be necessary

for

× 1878-79
Quantity. Duty Levied
Mds. Rs.
975. 732

for protection against smuggling in the levy of the duty on the local produce. This may be regarded as placing the local produce at a disadvantage in comparison with the imported article, but as a matter of fact, the removal of all further restrictions on the trade of the article, after it once leaves the place of production, will be found more advantageous to the local industry than any protective tax on the imports.

10. Under these arrangements, it will be seen that the extensive system of interference entailed by the Sayer will be greatly simplified. The sayer will be confined to the single article of cheese and that upon the local produce only. The arrangements connected with it will be limited to the place of its production and the objections to the existing system on the score of the sayer operating as a customs duty on articles imported from British Territories will be

removed

removed. The municipal taxation of imported as well as locally grown articles is not open to the same objection.

11. The only other article which is brought under the Sayer in the Province is Cardamoms. The article is grown in the same gardens with the areca-nut and the duty realized from it is insignificant and may well be given up to the benefit of the areca-nut garden cultivators as soon as arrangements are made for the introduction of an acreage assessment on the coffee lands. As cardamoms is also grown on some of these lands, which now pay no land assessment there is, until the introduction of the acreage assessment, no means of levying the Government due, on it except in the form of a Sayer duty.

× Rs 4505 in 1878/79

I have &c.

(Sd.) C. R.

Revenue Secretary.

27

I D.

No 173.

The 26 September 1872

Under the authority of the Government of India, Foreign Department, conveyed in the letter noted in the margin, the following amendment and addition are hereby made to the Rules for the collection of excise duties in the Cantonment and Town of Bangalore, published under Notification No 341, dated 2nd February 1871, viz:-

+ No 1945. D 12/9/1872

Rule 12. That portion beginning with the words "to be levied by" and ending with the proviso that is hereby cancelled.

Rule 25. The provisions of Secs 64 to 70 (both inclusive) of the Indian Penal Code, and of the Code of Criminal Procedure (Act XXV of 1861 or Act X of 1872, Sec. 307), shall apply to all fines imposed under these rules and forfeitures shall be dealt with as if they were fines.

By Order
(Sd) J. Tuckle
Offg Secretary

Proceedings of the Chief Commissioner of Mysore in the Revenue Department, (Revenue),—dated 27th September 1879.

READ—

1. Docket No. 734, dated 7th December 1877, from the Commissioner of the Nundydroog Division.
2. Letter No. 3996, dated 29th January 1878, from the President, Cantonment Municipal Commission, Bangalore.
3. Letter No. 1304—28, dated 29th March 1878, from the Commissioner, Nagar Division.
4. Letter No. 584—17, dated 5th November 1878, from the Commissioner of the Ashtagram Division.
5. Chief Commissioner's Proceedings No. 2627—Munl. 227, dated 26th October 1877.

No. 3362-73—MUNL. 161, DATED 27TH SEPTEMBER 1879.

ORDER THEREON.—The above letters contain proposals for the revision of the octroi in the several municipal towns in the Province, in accordance with the principles laid down in the Government of India, Home Department's Resolution No. 4446, dated 6th November 1868, and letter No. 2—103, dated 28th September 1877, and for otherwise placing the municipal income on a proper footing.

2. In the Town and Cantonment of Bangalore, which is the entrepôt of trade for the whole Province, the octroi is properly confined to a few special articles of local consumption. The articles and the rate of octroi levied are as noted in the margin.

	Rs.	A.	P.	
1. Areca-nut	0	4	0	per maund.
2. Tobacco—				
Imported from H. M.'s Territory	3	8	0	per maund inclusive of 12 As. sayer.
Local produce	2	8	0	per maund.
3. Betel leaves—				
Imported from H. M.'s Territory	0	0	2	per bundle of 100 leaves, inclusive of 1 pie sayer.
Local produce	0	0	1	per bundle of 100 leaves.

3. In the other Municipalities of the Nundydroog Division, comprising the Districts of Bangalore, Kolar and Túmkúr, a house-tax with some miscellaneous receipts from pounds, &c., constitutes the sole income. No octroi is levied in them except in the head-quarter town of Túmkúr, where the duty is collected on cloth and tobacco.

4. The Municipalities of the Shimoga, Kadur and Chitaldroog Districts forming the Nagar Division, are maintained by a house tax which is supplemented by octroi collections. These are generally levied on tobacco, betel leaves and cloth not imported by sea, and at the rates noted in the margin. But in the Chitaldroog and Kadur Districts, jaggory and sugar, butter and ghee, oil and arecanuts are also brought under the duty; and in the head-quarter town of Shimoga, animals for slaughter, *viz.*, sheep and goats, are added to the list.

	Rs.	A.	P.	
Tobacco	0	4	0	per maund and
	1	0	0	in Shimoga
Cloth	2 per cent *ad valorem* and 5 per cent in Chikmagalur.			
Betel leaves	... 1 pie per bundle of 100 leaves.			

5. In the two Districts of the Ashtagram Division, Mysore and Hassan, no house-tax is levied except in the Head-quarter Municipalities and in one or two others; but an octroi is collected on *cloth and *tobacco in the Municipalities of Hassan, and on cloth, tobacco and *arecanut in the minor Municipalities of the Mysore District. The duty on cloth in this Division is levied at 5 per cent instead of 2 per cent as in the Nagar Municipalities. In the Municipalities of Mysore, Seringapatam and Húnsúr alone, especially in the first named, an unusually large number of articles is brought under the octroi. The articles taxed, the rates of duty, and the amount realized from the same in the Mysore Municipality are given below:—

*Cloth	at 5 per cent *ad valorem*.
*Tobacco	„ 4 annas per maund.
*Arecanut	„ 8 do do.

Proceedings of the Chief Commissioner of Mysore in the Revenue Department, (Revenue),—dated 27th September 1879.

Name of Article.	Rate of Duty.	Per	Annual Amount realized calculated on the average of 3 years preceding 1877—78.
1. Sugar	... 4 0	Maund ...	2,367
2. Gingelly seed	... 8 0	Candy ...	2,763
3. Gram	... 4 0	do ...	1,219
4. Ghee	... 8 0	Maund ...	4,938
5. Arecanut { 1st sort ... ... / 2nd sort	1 0 0 / 0 8 0	Do ...	3,686
6. Tamarind...	... 2 0	Do ...	1,130
7. Jaggory	... 2 0	Do ...	3,389
8. Sheep and goats	... 2 0	Head ...	4,271
9. Oil	... 2 0	Maund ...	705
10. Lamp oil seed	... 8 0	Candy ...	3,134
11. Soapnut	... 2 0	Maund ...	356
12. Timber including bamboos	1 0 0	Cartload ..	1,742
13. Chunam	... 8 0	Do ...	1,062
14. Coriander	... 8 0	Candy ...	717
15. Pepper	... 8 0	Maund ...	656
16. Chillies	... 2 0	Do ...	1,306
17. Saffron	... 4 0	Do ...	993
18. Onions	... 1 0	Do ...	760
19. Garlic	... 2 0	Do ..	441
20. Tobacco leaf, imported from H. M.'s Territory ...	3 8 0	Do ...	7,505
Do local production	2 8 0		
Tobacco stalk, imported from H. M.'s Territory...	1 12 0		
Do local production.	1 4 0		
21. Cloth	5 0 0	Per cent *ad valorem*	11,875
Total.....			55,015

6. Besides the above sources of income, the collections heretofore derived by Government from Mohatarfa, which consists of a tax on houses, shops, looms, oil-mills and carts, have been made over to the Municipalities at the District head-quarters and to the large Municipality at Seringapatam, which in return are required to defray the entire cost of the Police, and in Chikmagalur of education also. In Bangalore, however, which is divided into the two separate Municipalities of the Town and the Cantonment, the former alone bears the entire cost of the Police, whereas in the Cantonment, the Municipality bears but $\frac{1}{3}$ of the Police charges, the remaining $\frac{2}{3}$rds being borne by the Government. In these two Municipalities, in order further to aid them to meet the large expenditure which devolves on them owing to their exceptional circumstances, the Government revenue derived from lands situated within Municipal limits and the license fees collected on retail spirit and liquor shops have been made over to them.

7. No tolls are levied in any of the Municipalities in the Province, nor any tax on professions and trades excepting the Mohatarfa already referred to, which falls only on the petty trades. The larger professions and trades in the Province at present contribute neither to the Provincial nor to the Municipal revenue. A license fee on carriages, horses and animals is levied only in the Municipality of Mysore. Its introduction into Bangalore which is attended with some difficulty is under consideration.

8. The foregoing gives a brief resumé of the details of the Municipal taxation as now obtaining in the Province. The Chief Commissioner considers it necessary to revise them to some extent in order to secure a uniformity of system, and he resolves to issue the following instructions on the subject.

Proceedings of the Chief Commissioner of Mysore in the Revenue Department, (Revenue),—dated 27th September 1879.

9. The minor Municipalities cannot hope to secure an adequate income except by means of a house-tax, and if a house-tax were levied, it seems scarcely desirable that they should resort to other sources of taxation such as octroi save to a limited extent. The house-tax, however, as at present levied in these Municipalities, is attended with needless complication. The portion of it which is classed under Mohatarfa, *i.e.*, the tax on the houses of the non-agriculturists, not consisting of Brahmans, Muhammadans and other privileged classes, continues to be collected by Government; whilst the Municipalities levy a separate tax in some places only on the houses of the exempted classes, and in other places on all houses. In order to obviate the inconvenience of this complicated arrangement, and to secure a uniform taxation of all the houses in these towns, the Chief Commissioner resolves to make over all the items of the Mohatarfa to the minor Municipalities on the condition of their paying to Government one-half of the entire collections realized from house-tax and the other items constituting the Mohatarfa, reserving the remaining half for Municipal purposes.

10. The house-tax under this arrangement will be levied by the Municipalities at uniform rates on all the houses without distinction or exemption. But buildings which are the property of Government, and those which are devoted exclusively to religious or charitable purposes, should be exempt from the tax.

11. The house-tax should not exceed 7½ per cent of the annual rental of the houses; but in the minor Municipalities where houses are not usually rented, the tax will be more conveniently collected at a percentage on the valuation of houses.

The rates noted in the margin may be adopted experimentally in all the Municipalities, the Municipal Boards being competent to exempt from the tax huts of small value occupied by the poorer classes in detached localities. The valuation of the houses will ordinarily be conveniently made upon the area occupied by the buildings at fixed rates for the several descriptions of houses, *viz.*, terraced, mud-roofed, tiled and thatched; each being sub-divided if necessary into two or more classes according to quality.

						Rs.	A.
Houses under	50	Rs.			in value .	0	8
Do from	50	„	to	150	„ ...	1	0
Do „	150	„	to	250	„ ...	1	8
Do „	250	„	to	400	„ ...	2	0
Do „	400	„	to	600	„ ...	3	0
Do „	600	„	to	800	„ ...	4	0
Do „	800	„	to	1000	„ ...	5	0

Do above Rs. 1000 at ½ per cent on the valuation with ¼ per cent for the portion of the value in excess of Rs. 2000, fractions of a rupee being omitted in the resulting amounts.

12. The tax under the other items of Mohatarfa, *viz.*, shops, looms, oil-mills and carts, will be levied at such rates as are now or may hereafter be fixed for the Province in general, but no exemptions on account of caste or other grounds shall be allowed.

13. The arrangement under which the Municipalities at District head-quarters and at Seringpatam enjoy the whole of the Mohatarfa, defraying in return the entire cost of the Police, will continue. But instead of the separate rates prevailing under the Mohatarfa and the Municipal taxation in these towns, the tax on all the houses and the other items will be levied at one combined rate and upon uniform principles.

14. As regards the octroi duties, the instructions of the Government of India which have been already published, very clearly lay down the principles to be observed in their collection. These duties are to be levied only on articles of local consumption, and are on no account to be extended to any article belonging to the transit or general trade of the country. The latter restriction has been generally observed. But it is not possible strictly to limit the duty to the articles actually consumed within the Municipality. It is easily arranged that no duty is levied on traffic which does not break bulk in its transit through the town, but when the articles are once brought into the local market, it is difficult to separate purchases for local consumption from those made by residents of villages beyond the Municipal limits. The rural population very generally obtain their supplies of articles from the retail sellers in the larger towns, and the refund of the duty on the articles again leaving the Municipal

limits is likely to be attended with abuse. It is therefore not possible to prevent the Municipalities deriving some portion of their octroi income from the consumption in villages outside the Municipal limits.

15. The articles upon which octroi could be levied under the instructions of the Government of India, as classified under the heads noted in the margin, are very numerous, and to these have been afterwards added—

(1.) Articles of food or drink for men or animals.
(2.) Animals for slaughter.
(3.) Articles used for fuel, for lighting or for washing.
(4.) Articles used in the construction of buildings.
(5.) Drugs, gums, spices and perfumes.
(6.) Tobacco.

(7.) Piece goods and other textile fabrics and manufactured articles of clothing and dress, and—

(8.) Metals and articles of metal.

with the proviso that on these articles imported by sea and liable to customs duties, the octroi should not exceed 1½ per cent *ad valorem*.

16. There are however other considerations which require attention and which would greatly reduce the number of articles upon which the octroi can without objection be allowed to be levied. It is desirable that the octroi should be confined to a few articles which are likely to be most productive, and upon which the duty could be easily collected without involving needless annoyance or the stoppage and search of other commodities; and that, as far as practicable, it should bear upon articles of luxury;—at least it should not injuriously affect the retail prices of articles with which the poorer classes are mainly concerned, and that the rates of duty should be moderate.

17. Judged by these principles, the number of articles upon which octroi is at present levied in Mysore must be deemed objectionable. The duties on the articles marginally noted are open to objection on the score of their being unproductive, or being easily evaded, or bearing injuriously upon articles which form the necessaries of life to the poorer classes. They should be abolished.

Coriander.
Pepper.
Chillies.
Saffron.
Onions.
Garlic.
Soapnut.
Tamarind.
Gram and other grains.

18. No duty should be levied on bamboos which are largely used by the poorer classes for building and repairing their houses. But there is not the same objection to a duty on timber and chunam, which is easily collected on the cart-load, but proper arrangements should be made that the duty is not levied on timber which is not unloaded in the town. The duty on timber may properly be fixed at varying rates for the superior and inferior classes of it, *viz.*, at Rs. 2 per cart-load for teak and blackwood, and Re. 1 for timber of other descriptions. The duty on chunam may be reduced from 8 to 4 annas per cart-load.

19. The duty on oil seed should also be reduced from 8 to 4 annas per candy, in order to make it proportionate to the duty on oil, which is only 2 annas per maund.

20. Piece goods form the most productive item of Municipal octroi, and may continue to be taxed at 5 per cent *ad valorem* on articles of Indian manufacture, but goods imported by sea and liable to customs duty, which may also be brought under the octroi, should bear a duty not exceeding 1½ per cent *ad valorem*.

21. Imported metals may also be brought under the octroi at the same rate as imported piece-goods in places where it is likely to be productive. Till now, however, they have been taxed only in the Shimoga Municipality where the collection from them has been insignificant.

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Proceedings of the Chief Commissioner of Mysore in the Revenue Department, (Revenue),—dated 27th September 1879.

22. The following will then be the articles upon which the octroi may be levied and at the rates not exceeding those specified. The rates of duty, it will be seen, range from about 4 to 7 per cent on the value of the articles:—

Class.	Name of Article.	Rate of Duty.				Ordinary Price.
		Rs.	A.	P.		Rs.
I.	Sugar	0	4	0	Per maund of 960 tolas' weight.	4
	Jaggory	0	2	0	„ do	2
	Ghee	0	8	0	„ do	8
	Butter	0	4	0	„ do	6
II.	Sheep and goats	0	2	0	„ head.	2
III.	Oil	0	2	0	„ maund of 960 tolas' weight.	3
	Oil seed (gingelly and lamp-oil seed). ...	0	4	0	„ candy of 160 seers.	6
IV.	Timber—Teak and blackwood. ...	2	0	0	„ cart-load.	30
	Do other kinds ...	1	0	0	„ do	15
	Chunam	0	4	0	„ do	5
VII.	Piece goods of Indian manufacture. ...	5	0	0	Per cent *advalorem*.	
	Do imported by sea ...	1	8	0	do	
VIII.	Metals	1	8	0	do	

23. The articles which now contribute to the Provincial revenue under the head of sayer or excise duty as well as to the Municipal octroi, require separate consideration. These articles and the rates of the sayer and Municipal duties generally levied on them are noted below:—

	Rate of Sayer Duty. Rs. As. P.	Rate of Municipal Duty. Rs. As. P.	Per
Cocoanuts, fresh ...	0 8 0	0 0 0	100.
Do dry ...	0 7 6	0 0 0	maund.
Betel-leaves ...	0 0 1	0 0 1	bundle of 100 leaves.
Tobacco except in the Towns of Bangalore and Mysore ...	0 12 0	0 4 0	maund.
Arecanut	0 12 0	0 4 0	maund.

24. The separate levy of these two duties, as is to be expected, adds considerably to the annoyance and interference attendant on their collection. The Chief Commissioner, therefore, in pursuance of the sanction given by the Government of India in 1875, but which has not as yet been given effect to, resolves to dispense with the separate collection of the sayer duty on cocoanuts and betel-leaves at the place of their production, and to authorize such of the Municipalities in the Province as may find it sufficiently productive, to collect on them a combined town duty at the rates noted in the margin on the condition of the Municipalities retaining one-half of the realizations for Municipal purposes and paying the remaining half to the Provincial revenue. The town duty will be collected on the articles, whether produced within the Province, or imported from outside.

Cocoanuts—
Fresh ... 8 annas per 100.
Dry ... 7½ annas per maund.
Betel-leaves...2 pie per bundle of 100 leaves.

25. The Chief Commissioner further proposes to obtain the sanction of the Government of India for introducing a similar arrangement in regard to tobacco. The sayer duty now levied on this article is 12 annas per maund, and the octroi additionally collected on it is 4 annas per maund, except in the Municipalities of Bangalore and Mysore, where a much higher rate is levied. It is proposed to give up the separate sayer duty on tobacco, and to authorize the Municipalities to levy a combined duty of one rupee per maund on the article, paying one-half of the realizations to the Provincial revenue.

26. The higher rate of duty now levied on tobacco in the Municipalities of Bangalore and Mysore, *viz.*, Rs. 3—8—0 per maund, inclusive of the sayer, will not

be interfered with; but it will be convenient to reduce it slightly to Rs. 3—0—0 per maund, one fourth of which being the sayer, one-fourth of the realization from tobacco will alone be paid to Government in these two Municipalities.

27. The Municipal duty levied in the Mysore Town alone on tobacco stalks, which appears to produce but little, should be given up for the same reason for which it has already been removed from the list of sayer articles, *viz.*, that it is almost a necessary upon which the poorer classes who cannot afford to purchase the highly taxed tobacco leaves are entirely dependent.

28. Arrangements similar to those above ordered for the other sayer articles cannot be conveniently made in regard to areca-nut. This article is largely exported to places outside the Province, and the sayer revenue derived from it which is considerable cannot be fully secured by Municipal taxation. Considering that areca-nut forms the most important staple of the Province and that it is heavily burdened with a high land assessment and the sayer duty, the Chief Commissioner deems it important to relieve the article from any further imposts or interference with its trade. He therefore directs its removal from the list of articles which may be subjected to the Municipal octroi.

29. The above measures will greatly simplify the incidence of the sayer and Municipal octroi duties. No article will be hereafter subject to both. The arrangements for the collection of the sayer will be confined to the single article of areca-nut, whilst the loss to Government of the sayer revenue from the other articles will be to a considerable extent made good by the payment to Government of half the Municipal realizations from them.

30. In thus defining and restricting the number of articles which may be brought under the Municipal octroi, the Chief Commissioner desires it to be understood that each Municipality should select for the octroi taxation only such of the articles named upon which the tax is likely to be sufficiently productive, and would not entail charges for the collection out of proportion to the income. Especially in the minor Municipalities or towns other than the District head-quarters, the octroi may be advantageously restricted to the articles noted in the margin, as in these smaller stations the other articles mentioned in the list are scarcely bought and sold, the consumption of the inhabitants being confined to what they themselves produce.

1. Cloth.
2. Tobacco.
3. Betel leaves.
4. Cocoanuts.

31. The renting of the octroi having been objected to by the Government of India, the same has now been given up, and the duties are collected throughout the Province under direct management. This necessarily opens a wide door to smuggling and fraud—objections which would be serious if the duties had to be collected by Government. But in authorizing the Municipalities to collect these duties, it is hoped that the Municipal committees will be able, by their personal attention, to ensure the necessary safe-guards against smuggling, and, at the same time, consult the convenience and comforts of the inhabitants. The Chief Commissioner trusts to the Municipalities giving their earnest attention to the above points and suggesting arrangements for collecting the duties, as far as practicable, without detention and the unloading of the goods.

Arrangements should also be made for exempting from octroi articles brought into the town for private use in small quantities.

32. With regard to bonded warehouses referred to in the instructions of the Government of India, it is observed that they have been established in the large towns of Bangalore and Mysore only. They would seem to be scarcely suited to the requirements of the smaller places.

33. The peculiar position of Bangalore, as the entrepôt of the trade by the Railway with the whole Province, precludes any enlargement of the present limited sphere of the octroi taxation allowed in that Municipality. The articles chargeable with octroi in this Municipality will be, (1) tobacco, (2) cocoanuts and (3) betel leaves, to which may be added sheep and goats should the Municipality desire it.

34. The propriety of allowing this Municipality, as an exceptional case, to levy tolls, as in Madras, to make up for its insufficient income from octroi, and to provide it with the means of maintaining its roads in repair, will be separately considered.

35. The above arrangements, except in regard to tobacco and arecanut, should come into effect from the 1st November 1879, and the Deputy Commissioners and the Municipal President of Bangalore are requested to arrange accordingly. Further instructions in regard to tobacco and arecanut will be issued on receipt of the orders of the Government of India on the proposals made.

C. RANGACHARLU,
Revenue Secretary.

To—The Commissioners of Ashtagram and Nagar Divisions.
„ Deputy Commissioners of Districts.
„ President, Cantonment and Town Municipal Commissions, Bangalore.
„ Deputy Accountant General.

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1879.

GOVERNMENT OF MYSORE.

REVENUE DEPARTMENT.

REVENUE.

To

THE COMMISSIONERS OF ASHTAGRAM AND NAGAR DIVISIONS.
" DY. COMMISSIONERS OF DISTRICTS.
" PRESIDENT, CANTONMENT AND TOWN MUNICIPAL COMMISSIONS.
" DY. ACCOUNTANT GENERAL.

Dated 27th September.

Despatched

Received

No. 3362-73.
Munl. 161.

Municipal taxation.—Issues instructions relative to the revision, to some extent, of—

Mysore Govt. Press, Bangalore.—9-10-79.—250.

44 No. 101 S.R.

From,

The Under Secretary to the
Government of India

To,

The Chief Commissioner of Mysore,

Foreign Deptt:
Revenue

Dated Fort William, the 13th Decr. 1879.

Sir,

I am directed to acknowledge your Letters Nos. 3360/40, and 3669/50, dated respectively 27th September and 14th October last, submitting proposals for simplifying the system of sayer collections in Mysore, and reporting the instructions you have issued for the revision of the Octroi duties and other items of Municipal taxation.

2. In reply I am directed to convey the approval and sanction of the Government of India to your several proposals, subject to a report on their practical working, after they have been one year in operation. During this period it may properly come under your consideration whether some further modification

is not practicable in the Octroi rates levied on cloths. For instance, it is observed that, while cotton goods imported by sea pay a duty of only 1½ % or less ad valorem, Indian Cotton goods are taxed 5% ad valorem, a differential rate which can scarcely fail to press hardly upon the local industry. Even as regards the sea borne goods the municipal charge, though small, is one which may be said indirectly to affect the imperial revenues.

3. I am to inform you that a Bill for the regulation of all town duties throughout British India is now under the consideration of the Government of India, and it will probably be deemed desirable that the general principles of this Bill, if it should become law, should be extended to Mysore.

I have &c.

(Signed) J. Plowden

Under Secy. to the Govt. of India

11/0

Proceedings of the Chief Commissioner of Mysore in the Revenue Department, (Revenue),—dated 24th December 1879.

READ—

Letter from the Under-Secretary to the Government of India, Foreign Department, No. 101 I. R., dated 13th December 1879.

No. 491-4-25—MUNL. 243, DATED BANGALORE, 24TH DECEMBER 1879.

ORDER THEREON.—The Government of India having approved of the arrangements proposed in paras 25 to 29 of the Chief Commissioner's Proceedings, dated 27th September 1879, No. 3362—Ml. 161, the Municipal President at Bangalore and the Deputy Commissioners of the several Districts are requested to give effect to the same from the 1st proximo. No municipal octroi is to be levied on arecanut, which will be subject only to the existing sayer duty collected at the place of its production.

2. Tobacco will pay a combined town-duty at the rates specified in the above Proceedings, but no sayer duty at the place of its production.

3. In the Municipalities of the Town and Cantonment of Bangalore, the octroi on arecanut should be discontinued, but the existing arrangements in regard to tobacco, under which no portion of the octroi collections on the article imported from British Territories is contributed to the Provincial Revenue, will continue for the present.

4. The Government of India consider the octroi at 5 per cent *ad valorem* on cloths of Indian manufacture too heavy. The Deputy Commissioners are requested to report whether any reduction can be made in it.

C. RANGACHARLU,
Revenue Secretary.

To—The President, Municipal Commission, Bangalore.
„ Deputy Commissioners of Districts.
„ Deputy Accountant General in Mysore.
Also to the Commissioners of the Ashtagram and Nagar Divisions for information.

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1879.

GOVERNMENT OF MYSORE.

REVENUE DEPARTMENT.

REVENUE.

To

THE PRESIDENT, MUNICIPAL COMMISSION, BANGALORE.
„ DEPUTY COMMISSIONERS OF DISTRICTS.
„ DEPUTY ACCOUNTANT GENERAL.
„ COMMRS. OF THE ASHTAGRAM & NAGAR DNS.

Dated 24th December.

Despatched

Received

No. 4914—25.
Muni. 243.

Requests that the proposals relating to the duty on *tobacco* and *arecanut* in the order of 27th September last be given effect to from the 1st proximo, and calls for a report as to whether any reduction is feasible in the octroi duty on Indian cloths.

Mysore Govt. Press, Bangalore.—6-1-80.—60.

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Proceedings of the Chief Commissioner of Mysore—

Order No. 6153-5 / No. 304 dated 19th February 1880.

It is understood that in the Municipalities of the Town and Cantonment of Bangalore, no arrangements have been made for collecting on the Home-grown Tobacco, besides the Municipal Octroi Rs. 2-8 per maund, the Sayer duty of 12 annas per maund which has now ceased to be collected at the place of production. The Resident is requested to arrange at once for the collection of the additional Sayer duty of 12 annas on Home-grown Tobacco, and for payment of the same to the Provincial Revenue as is now done in regard to Betel leaves.

2. If the Municipal Commissioners consider it could be done without serious sacrifice of income, it will be more convenient if the duty on both the Home-grown and imported Tobacco

were

were fixed at the uniform rate of Rs 3/- per maund, one-fourth of the collections on the Home-grown article alone being paid to the Provincial revenue.

(Sd) C. R.
Revenue Secretary.

To,

The President-Municipal Commission
Dy. Commr. Bangalore District
Dy. Accts. General

No. 556 I.

From

The Offg: Under Secretary
to the Govt of India,

To

The Resident in Mysore.

Foreign Deptt, Dated Fort William, the 14th February 1884.

General. Sir,

In continuation
of my letter No. 555 I.* of this
date, acknowledging the receipt
of your letter, No. $\frac{2102}{335}$, of the
3rd January 1884, I am
directed to invite attention to
the subject of octroi collections
in the Municipality of Bangalore.
It would appear, from the
Report submitted by you for
the year 1882-83, that the
octroi revenue amounted to
about 32 per cent of the
whole

* This does not refer to Octroi.

whole municipal revenue; with an incidence of 7½ annas upon each head of the population. This incidence does not of itself contrast unfavorably with that of other Municipalities in the British districts of India; but in the absence of any detailed information as to precise amount collected upon the main articles of consumption, such as cloth, iron, or grain, it is not possible for the Government of India to form any idea whether the amount taxed by the Municipality exceeds the average consumption of those articles per head of the municipal population. No information is given as

as to either the amount of refunds granted by the Municipality, or the system followed with a view to preventing octroi collections becoming transit duties

2. The President in Council attaches particular importance to this subject in a Municipality, which by its position must serve as an example to the administration of an important Native State and I am accordingly to request that in future reports fuller information may be supplied on the points to which your attention has been called.

I have the honor to be,
Sir,
Your most obedt servant,

W Midgley Lt Col
Offg Under Secy to the Govt of India

hrb

Fn 130

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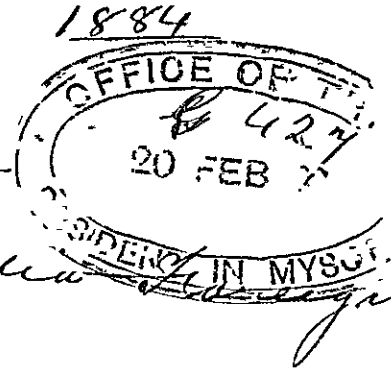
1884



From
Indian Telegraph

Dated 14 February 1884

Received 20 "

No 556/1

Continuation of his letter No 555/1 dated 14th February 1884 requests that in the further enquiries fallen upon by him may be supplied on the subject of Octroi Collections

Copy of this may be sent to the Resident, Mysore & Coorg for information

HK 21/2/84

In the matter of the Octroi which levied on tobacco, and Cutcha Supari, and [illegible] we are unable to answer as there are no imports of such commodities. There are no octroi duties on tobacco & Cutcha Supari in 1882/83. This can be ascertained with certainty by information to the Collectors

21/2/84

A statement showing the collections made by the Municipality in (within) 1882/83.

Mr Gold writes under date 21st instant as

54 1884 7

From

The Assistant to the Resident
in Mysore.

To The President, Municipal Commissioner,
C & M Station of Bangalore.

Dated Bangalore 25 February 1884
Despatched 26
Received

Enclosures No.

General No. 2523
No. 183

Has the honor to request he will be so good as to transmit to this office a Statement showing the articles subject to Octroi duty in the C & M Station of Bangalore, and the amount collected in respect to each in the year 1882.83.

Asstt: to the Resident.

Yda
23.2.84

M 130

55

OFFICE OF THE
Mul: 340
20 FEB 84
RESIDENT IN MYSORE

Form No. 9.

The President,

Municipal Commission,

Civil and Military Station,

Bangalore.

To.

The Assistant to the Resident in Mysore,

Bangalore.

Date Despatched. Received. } 26 February 1884

Enclosures No. 1

General No. 2402

No.

8 1/4 7.

Referring to his Docket No. 2382/55 dated 25 Instant, I have the honor to enclose a statement shewing the articles subject to octroi in the Civil and Military Station during the official year 1882-83

Jr Smith
Presidt Municipal Commn
Civil & Mily Station Bangalore

Please see note on Foreign Dept letter No. 556 I. 84
14 Feby 84 5/3/84

For in the Civil and Military Station Municipality

Key Comparative Statement Head, Sanitary & Conservancy Charges	Dep Conservancy from H. H. Servants & Conservancy Charges (Civil Station & Cantt)	Rubbish & Ashes per 1000.	Cesspools & Privies per 1000.	Flat Tiles & Drains per 1000.	Pan Tiles & Drains per 1000	Pot Tiles & Drains per 1000.	Village and Basket = charges &c.	Remarks.
17 15 9 1108	2 10	2 7 10	a 1 3	a 1 6	a 1 7 12	a 3 12	2 7 2 10 8	
2 10 7	369 6 3						91 14 3	
52	738 12 7	2 7 10	1 3	1 6	1 7 12	3 12	183 12 5	Jul. 1911.

tened under head Octroi, but under the recent
ordered in the Brigade for the Official Year

Jno Smith
Superintendent Conservancy
& Municipal Surveyor.

Statement shewing the articles subject to OC during the Official year 1882-83.

	Tobacco from N. Pro Territories at Rs 3-8- per Maund.			Tobacco from N.W. Pro Territories at Rs 2. 8. 0 per maund.			Betel Leaves from N. Pro Territories at 1/16 per bundle			Betel Leaves from N.W. Pro Territories at 1/16 per bundle.			Green Cocoanuts from N. Pro Territories at 8 annas per 100.			Green Cocoanuts from N.W. Pro Territories at annas per 100.			(Municipal Share of duties)		
Town and Civil and Military Station of Bangalore	27,800	13	3	4987	10	9	14620	10	11	1362	5	7	170	14	4	5784	a				
1/3rd Share of Collections paid over to Town Municipal Commission	12600	4	5	1662	14	3	4873	9		454	1	11	56	15	8	1908	a	3			
2/3rds " Share credited to Civil and Military Station Municipality	25200	8	10	3325	12	6	9747	1	11	908	3	8	113	15	3	3816	a	5			

a- Tax on bricks and tiles had hitherto been
orders from the Resident, the same
1883-84 under head Miscellaneous

Municipal office
Cd Mc Stn Bangalore
26th February 1884

No. 193/19 57

Office of the Resident in Mysore
& Bangalore 23rd April 1886

To The President, Munk Commrs.,
Cantt Station of Bangalore

Sir,

I am directed to forward herewith for your information copy of a letter No. 556 J. dated 14th February last from the Government of India, Foreign Department, and on the subject of Octroi taxation in Bangalore.

2. Under the Proceedings of the Chief Commissioner of Mysore, No. 3362-73 Mls. 161 dated 27th September 1879 the Octroi duty is leviable in Bangalore on (1) tobacco, (2) betel leaves (3) dry and green cocoanuts and (4) sheep and goats, and has in practice been levied only on the three articles first mentioned. It seems probable that with so high a duty as that now levied, and, as Mr Lyall understands, with no regular system of refunds, these articles are only brought within the

limits of the Municipality
for consumption therein,
not also for exportation
elsewhere. I am directed
you will be so good as to
report after inquiry and
consulting the Deputy Comr
if necessary, whether the
Town and the C.M. Station
of Bangalore are, to any
extent, entrepôts of trade
for the sale of tobacco,
betel leaves and dry
and green cocoanuts,
or whether these articles,
once imported, are
retained for local consumption
only. In the former case,
I am to inquire if any
refunds of duty are
ever asked for or
granted; the Chief Comrs
Pro: No. 5706-14 / No. 283 dated 28th
Jany 1880 recognize
refunds, but only in
rather exceptional cases.
In the latter case, viz, in
the case of the Octroi paying
articles being retained
for consumption within
Municipal limits

I am to request you to report if there is the natural course of things, or if it is the Octroi duty which prevents the Town & the C.R.M. Station from being the entrepôt of trade for the articles in question.

I have &c

W
Asstt. to the Resident

HLC
23/4/84

Note.

Under instructions of the President Mr. Lyall [illegible] regarding warehouses for the storing of duty payable articles, because there is such a difference in the C.R.M. Stn and goods which are landed in Town through Bungalore are stored there and not [illegible] Circuits under the Excise of Octroi Rules.

HLC
23/4/84

11138

58

No 19

1884

To The President
Municipal Commissioners
& Executive
Bangalore

Dated 23 April

Letter No 193 Encl 1
19

From N227 of 25-4-84